
IN THE
Supreme Court of the United States

OCTOBER TERM, 1979

No. 79-429

LUCKY STORES, INC., A CALIFORNIA CORPORATION,
Petitioner,

vs.

VILLAGE OF LOMBARD, A MUNICIPAL CORPORATION,
Respondent.

**PETITION FOR WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE SEVENTH CIRCUIT.**

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INDEX.

	PAGE
Petition	1
Opinions Below	1
Jurisdiction	2
Questions Presented for Review	2
Statutory Provisions Involved	3
Statement of the Case	4
Reasons for Granting the Writ	7
I. Whether the Doctrine of Abstention, as Enunci- ated in <i>Hicks v. Miranda</i> , Should Be Applied to Effectively Oust a Federal Suitor from a Federal Forum When Jurisdiction Is Based Exclusively on Diversity of Citizenship?	7
II. Whether the District Court Erred in Denying the Petitioner an Opportunity to Allege and Conduct a Hearing with Respect to Bad Faith, Harassment or Abstention Under the Excep- tion Carved Out by <i>Younger v. Harris</i> and Its Progeny?	15
Conclusion	19
Appendix:	
A. Transcript of Proceedings in the United States District Court for the Northern District of Illi- nois, Eastern Division, dated June 6, 1978	A1
B. Order of the United States Court of Appeals for the Seventh Circuit, Dated May 21, 1979	A6
C. Order of the United States Court of Appeals for the Seventh Circuit, Dated June 18, 1979..	A14

TABLE OF CITATIONS

Supreme Court Cases.

Burford v. Sun Oil, 319 U. S. 315, 63 S. Ct. 1098 (1943)	11
Dyson v. Stein, 401 U. S. 200, 91 S. Ct. 769 (1971)	16
Erie R. Co. v. Tompkins, 304 U. S. 64, 58 S. Ct. 817 (1938)	10
Foman v. Davis, 371 U. S. 178, 83 S. Ct. 227 (1962)	16, 18
Gillespie v. U. S. Steel Corp., 379 U. S. 148, 85 S. Ct. 308 (1964)	16
Guaranty Trust Co. of New York v. York, 326 U. S. 79, 65 S. Ct. 1464 (1945)	10
Hicks v. Miranda, 422 U. S. 332, 95 S. Ct. 2281 (1975)	7-15
Huffman v. Pursue, Ltd., 420 U. S. 592, 95 S. Ct. 1200 (1975)	13
Louisiana Power & Light Company v. City of Thibodaux, 360 U. S. 25, 79 S. Ct. 1070 (1959)	11
McNeese v. Board of Education, Etc., 373 U. S. 668, 83 S. Ct. 1433 (1963)	11
Meredith v. City of Winter Haven, 320 U. S. 228, 64 S. Ct. 7 (1948)	12
Sinclair Refining Company v. Atkinson, 370 U. S. 195, 82 S. Ct. 1328 (1962), overruled on different grounds, Boys Market, Inc. v. Retail Clerks Union Local 770, 398 U. S. 235	11
Town of Lockport v. Citizens for Community Action, 430 U. S. 259, 97 S. Ct. 1047 (1977)	14, 15
Younger v. Harris, 401 U. S. 37, 91 S. Ct. 746 (1971)	8-10, 12-18

Federal Cases.

Beecher v. Baxley, 549 F. 2d 974 (5th Cir. 1977)	16
Ealy v. Littleton, 569 F. 2d 219 (5th Cir. 1978)	9
Fuhrer v. Fuhrer, 292 F. 2d 140 (7th Cir. 1961)	18
LaBatt v. Twomey, 513 F. 2d 641 (7th Cir. 1974)	16
Miller v. Davis, 507 F. 2d 308 (6th Cir. 1974)	9
Monarch Insurance Company v. Spach, 281 F. 2d 401 (5th Cir. 1960)	9
Shaw v. Garrison, 467 F. 2d 113 (5th Cir. 1972), reversed on different grounds, 436 U. S. 584 (1978)	16
Stewart v. Davis, 460 F. 2d 278 (5th Cir. 1972)	17
Wilson v. Thompson, 593 F. 2d 1375 (5th Cir. 1979)	16
B. Coleman Corp. v. Walker, 400 F. Supp. 1355 (N. D. Ill. 1975), affirmed, 547 F. 2d 1170 (7th Cir. 1976)	8
Gentron Corp. v. H. C. Johnson Agencies, Inc., 79 F. R. D. 415 (E. D. Wisc. 1978)	12
Graham v. Breier, 418 F. Supp. 73 (E. D. Wisc. 1976)	8
Sovereign News Co. v. Falke, 448 F. Supp. 306 (N. D. Ohio 1977)	8

Statutes.

28 U. S. C. § 1332(a)	3, 7, 9, 10
28 U. S. C. § 1331(a)	9
28 U. S. C. § 2201	4
1 Stat. 73	10
18 Stat. 470	10

Rules.

Federal Rules of Civil Procedure, Rule 15(a) 16

*Secondary Authority.*H. M. Hart & H. Weschler, *The Federal Courts and The Federal System* (2d Ed. 1973) 12Committee Report, "Imposing Liability Upon Governments For Civil Rights Violations and Imposing Limits Upon *Younger v. Harris*: Pending Legislation to Amend 42 U. S. C. § 1983", 33 *N. Y. C. B. A.* 141 (1978) 7Fiss, "Dombrowski", 86 *Yale Law Journal* 1103 (1977) 10"Federal Equitable Restraint: A *Younger* Analysis in New Setting", 35 *Maryland Law Review*, 483 (1976) 13

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Respondent.

**PETITION FOR WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE SEVENTH CIRCUIT.**

Your petitioner, LUCKY STORES, INC., respectfully prays that a Writ of Certiorari issue to review the judgment of the United States Court of Appeals for the Seventh Circuit in the above-captioned case.

OPINIONS BELOW.

The district court did not write an opinion, however, a transcript of the proceedings therein is set forth herein at Appendix A.

The court of appeals' judgment dated May 21, 1979, affirming the district court's order of dismissal, is unpublished and is

set forth herein at Appendix B. The court of appeals' order dated June 18, 1979, denying the petition for rehearing is set forth herein at Appendix C.

JURISDICTION.

The court of appeals' judgment affirming the district court's dismissal of petitioner's complaint was issued on May 21, 1979. A timely petition for rehearing was denied on June 18, 1979, and this petition for writ of certiorari is being filed within ninety (90) days from the entry of that date. 28 *U. S. C.*, § 2101(c). This Court's jurisdiction is properly [invoked] pursuant to Title 28, United States Code, Section 1254(1).

QUESTIONS PRESENTED FOR REVIEW.

I. Whether the Doctrine of Abstention as enunciated in *Hicks v. Miranda*, should be applied to effectively oust a federal suitor from a federal forum when jurisdiction is based exclusively on diversity of citizenship?

II. Whether the District Court erred in denying the Petitioner an opportunity to allege and conduct a hearing with respect to bad faith, harassment or abstention under the exception carved out by *Younger v. Harris* and its progeny?

STATUTORY PROVISIONS INVOLVED.

§ 1332. DIVERSITY OF CITIZENSHIP: AMOUNT IN CONTROVERSY; COSTS

(a) The district courts shall have original jurisdiction of all civil actions where the matter in controversy exceeds the sum or value of \$10,000, exclusive of interest and costs, and is between—

- (1) citizens of different States;
- (2) citizens of a State and citizens or subjects of a foreign state;
- (3) citizens of different States and in which citizens or subjects of a foreign state are additional parties; and
- (4) a foreign state, defined in section 10603(a) of this title, as plaintiff and citizens of a State or of different States.

28 *U. S. C.* § 1332, as amended October 21, 1976, Pub. L. 94-583, § 3, 90 *Stat.* 2891.

STATEMENT OF THE CASE.

On March 31, 1978, Petitioner, Lucky Stores, Incorporated, (hereinafter referred to as "Lucky"), filed its Complaint for a Declaratory Judgment under 28 U.S.C. § 2201, and other relief against Respondent, Village of Lombard (hereinafter referred to as "Lombard"). Jurisdiction was based exclusively on diversity of citizenship with the amount in controversy being in excess of Ten Thousand (\$10,000.00) Dollars exclusive of interest.

The nature of the case involves the demand by Lombard on Lucky to remove or alter Lucky's pylon sign located at the entrance of the store's parking lot.

There is no question that the sign involved presently exceeds the allowable square footage permitted under the present Lombard sign ordinance. Said sign was, however, lawfully erected prior to the present Lombard sign ordinance. As such, the sign is to be characterized as a pre-existing legal non-conforming use. Lucky has in the past conducted its business at the store in question under the name of "MEMCO". It recently changed the lettering on its pylon sign involved from "MEMCO" to "EAGLE". No other alteration was made. It is Lucky's contention that it had a right to change the lettering on its sign, pursuant to Section VIII of the Lombard sign ordinance. On the other hand, Lombard maintains that such change requires Lucky to remove its sign, as the change of lettering renders the sign an illegal nonconforming use.

Lucky filed suit seeking a Declaratory Judgment and other appropriate relief in federal court based exclusively on diversity of citizenship grounds. No motion for a restraining order or injunction was ever presented by Lucky.

On May 18, 1978, the Honorable Judge Crowley entered an Order of Dismissal of Petitioner's Complaint based on a lack of subject matter jurisdiction, due to insufficient jurisdictional amount.

Upon receipt by mail of said Order of Dismissal dated May 18, 1978, Lucky timely filed on May 30, 1978, its Motion to Vacate said Order and attached an Affidavit showing that the matter in controversy exceeded \$24,000.00 exclusive of interest. No counter-affidavits were filed. Complete diversity between the parties existed at the time the Petitioner filed its Complaint.

On June 6, 1978, Lucky's Motion to Vacate the Court's Order of May 18, 1978, based on an alleged want in satisfying the jurisdictional amount was heard by the Honorable Judge Crowley. Said Motion to Vacate was denied [Appendix A, p. A2]. It appears from the record that the District Court *sua sponte* invoked the Doctrine of Abstention as articulated by *Railroad Commission of Texas v. Pullman Company*, 312 U.S. 496 (1941) [Appendix A, p. A2]. Furthermore, the Court cited *Younger v. Harris*, 401 U.S. 37 (1971) and *Huffman v. Pursue, Ltd.*, 420 U.S. 592 (1975) for the proposition that a federal court will not enjoin the enforcement of quasi-criminal ordinance [Appendix A, p. A2].

It appears from the record that the trial court was of the opinion that the jurisdictional defect regarding the requisite amount in controversy had been cured. [Appendix A, p. A3]. Notwithstanding the foregoing, the Court denied Lucky's Motion to Vacate the May 18, 1978 Order. Moreover, Lucky's Motion for Leave to File an Amended Complaint so as to conform to the Court's ruling was denied. [Appendix A, p. A4]. Subsequent to the court's ruling of June 6, 1978 Lucky learned that the Village of Lombard issued a new complaint regarding the sign in the Eighteenth Judicial Circuit Court of Illinois. This, although outside the trial court's knowledge, was introduced for the first time on appeal for the purpose of interposing the *Hicks* doctrine.

An appeal was perfected to the United States Court of Appeals for the Seventh Circuit. The Appellate Court affirmed the district court ruling. This petition seeks review of that judgment.

REASONS FOR GRANTING THE WRIT.

I.

THE DOCTRINE OF ABSTENTION AS ENUNCIATED IN HICKS v. MIRANDA SHOULD NOT BE APPLIED TO EFFECTIVELY OUST A FEDERAL SUITOR FROM A FEDERAL FORUM WHEN JURISDICTION IS BASED EXCLUSIVELY ON DIVERSITY OF CITIZENSHIP.

It is your petitioner's desire that this Court articulate its position on the application of the doctrine of abstention to a case based solely on diversity jurisdiction. Respectfully your petitioner urges this Court to set forth guidelines for the application of the abstention doctrine to pure diversity cases. A brief reading of the transcript of proceedings which is attached as Appendix A will highlight the need for new Supreme Court guidance in this sphere. Petitioner submits that having to literally go to the Supreme Court in order to assure one his day in court is preposterous disservice to a "normal diversity litigant" and to petitioner. This frustration with the abstention doctrine has been noted in law review articles as well as proposed legislation.¹

Clearly, the amount in controversy, approximately \$25,000.00, is not the compelling reason for pursuing this case. However, it is the contention of petitioner that the right to a federal forum cannot and should not be a matter of whim or pleasure of the trial court. This Court is being asked to articulate whether 28 U. S. C. § 1332(a)(1) is still alive and, if so, what are the

1. See, e.g.: Committee Report, "Imposing Liability Upon Governments For Civil Rights Violations And Imposing Limits Upon *Younger v. Harris*: Pending Legislation To Amend 42 USC § 1983," 33 N. Y. C. B. A. 141 (1978). Legislation has been pending in the United States Senate to reverse some of the recent wide-reaching decisions of this Court under the abstention doctrine. (Bill S. 35, as revised by Amend. No. 1426, 123 Cong. Rec. S. 16560 (Oct. 6, 1977)).

bounds of the doctrine of abstention to the pure diversity context. The following discussion is intended to illustrate the need for Supreme Court guidance in this situation.

In the case of *Hicks v. Miranda*, 422 U. S. 332, 95 S. Ct. 2281 (1975), this Court laid down the watershed proposition as to the propriety of when a District Court may invoke the principles of *Younger v. Harris*, 401 U. S. 37, 91 S. Ct. 746 (1971), in dismissing a federal question cause of action. In this connection, the standard to be operative was articulated as follows:

... we now hold that where state criminal proceedings are begun against the federal plaintiffs after the federal Complaint is filed but before any proceedings of substance on the merits have taken place in the federal court, the principles of *Younger v. Harris* should apply in full force. 422 U. S. at 349, 95 S.Ct. at 2292.

This holding, however, is merely a starting point for solutions to the problem at bar, not a mechanical answer to them. Indeed, the precise contours of what constitutes "proceedings of substance on the merits" is not only opaque in its meaning, *Hicks*, 422 U. S. at 353 fn. 1 (Stewart, J. dissenting), but similarly, has continued to bedevil the lower federal courts in application. Compare: *Sovereign News Co. v. Falke*, 448 F. Supp. 306, 333-336 (N. D. Ohio, 1977) (finding of "proceedings of substance on the merits" so as not to abstain under *Younger*); *Graham v. Breier*, 418 F. Supp. 73, 78 (E. D. Wisc., 1976) (finding of "proceedings of substance on the merits" and *Younger* held not applicable); with *B. Coleman Corp. v. Walker*, 400 F. Supp. 1355, 1357 (N. D. Ill. 1975), *affirmed*, 547 F. 2d 1170 (7th Cir. 1976) (finding that there was not sufficient "proceedings of substance on the merits" thereby applying *Younger*).

More importantly, the subsequent pronouncements by this Court have largely left unresolved the question of abstaining in a purely diversity context when there is a later state complaint filed against the federal plaintiff. It is petitioner's contention that

Younger and *Hicks* are being expanded beyond their original context (federal question situations) to pure diversity issues.

In most, if not all, of the prolific progeny of *Hicks*, federal subject matter jurisdiction has been predicated not on diversity of citizenship, 28 U. S. C. § 1332(a)(1), but rather, upon the Federal Question provision, 28 U. S. C. § 1331. It is submitted that the rule as set forth in *Hicks* as it applies to those cases based on Federal Question jurisdiction, should be appreciably tempered, if not altogether abandoned, when administered in a diversity of citizenship setting.

The legal formula in *Hicks* for ascertaining the time in which to interpose the strictures of *Younger*, should not be construed as a talisman for allowing judicial abdication, nor must it be characterized as a concept of invariant content. So viewed, "a blind and uncritical application of *Younger* would be unwarranted and unwise when the policies underlying the equitable restraint doctrine are not disserved". *Ealy v. Littleton*, 569 F. 2d 219, 232 (5th Cir. 1978). There is not only a federal interest in having federal courts adjudicate all cases properly brought before it pursuant to a jurisdictional grant from Congress, *Miller v. Davis*, 507 F. 2d 308, 317 (6th Cir. 1974), but more fundamentally, federal courts are discharging their constitutional mandate as effectuated by Congress:

A United States District Court clothed with power by Congress pursuant to the Constitution is not a mere adjunct to a state's judiciary machinery in entertaining diversity cases, it is responding to a Constitutional demand made effective by Congressional action and, as the recent abstention cases have made so clear, it has a Constitutional duty to hear and adjudicate. *Monarch Insurance Co. v. Spach*, 281 F. 2d 401, 407 (5th Cir. 1960).

To how to the teachings of *Younger* and *Hicks* in the diversity case at bar is an impermissible incursion into the duty to adjudicate mandated by the Congressional directive of 28 U. S. C. § 1332(a)(1).

It need hardly be said that Congress, in enacting 28 U. S. C. § 1332(a)(1), adopted the policy of opening the doors of the federal courts to all diversity cases involving the appropriate jurisdictional amount to secure a tribunal presumed to be more dispassionate than a Court of the state in which one of the litigants resides. *Guaranty Trust Co. of New York v. York*, 326 U. S. 79, 111, 65 S. Ct. 1464, 1471 (1945); *Erie R. Co. v. Tompkins*, 304 U. S. 64, 74, 58 S. Ct. 817, 820 (1938). According to Justice Frankfurter, the Framers of the Constitution entertained "apprehensions lest distant suitors be subject to local bias in State Courts, or, at least, viewed with indulgence the possible fears and apprehensions of such suitors." *Guaranty Trust Co. of New York v. York*, *supra*, 304 U. S. at 74. Moreover, the federal courts have been vested with original jurisdiction over diversity actions ever since the passage of the First Judiciary Act, Act of September 24, 1789, § 11, 1 Stat. 73, but that no similar grant of jurisdiction was conferred on the lower federal courts in cases arising under the Constitution or laws of the United States until nearly a century later. Act of March 3, 1875, 18 Stat. 470. These considerations would suggest that an interposition of or a slavish adherence to the principles announced in *Younger* and *Hicks* in a diversity case such as the one at hand, would surely oust the federal courts from their historic role of assuring non-resident litigants of a forum free from susceptibility to potential local bias. Indeed, the application of *Hicks* in a diversity context creates "reverse removal power: a power to remove a case from the federal court to the state court." Fiss, "Dombrowski", 86 *Yale Law Journal*, 1103, 1136 (1977); but more significantly, the operative language therein emasculates the very purpose of federal diversity jurisdiction—to avoid bias against parties from outside the forum state.

In the wake of *Hicks*, if carried to its logical extreme, it is easy to envisage others similarly situated as Respondent by impulse to immediately institute state proceedings in order to defeat otherwise proper federal jurisdiction; for Respondent

would most certainly rather prosecute their claim against Petitioner in a more familiar state tribunal than have to defend the same in a federal forum.

One equally cannot be unmindful of the well ensconced proposition that the wisdom of or mere distaste for the wellspring of federal jurisdiction as executed under the diversity statute, is not a matter within the province of the judiciary. *Louisiana Power & Light Company v. City of Thibodaux*, 360 U. S. 25, 41, 79 S. Ct. 1070, 1080 (1959) (dissenting opinion); *Burford v. Sun Oil*, 319 U. S. 315, 337, 63 S. Ct. 1098, 1108 (1943) (dissenting opinion). In this regard, this Court has stated that:

In dealing with problems of interpretation and application of federal statutes, we have no power to change deliberate choices of legislative policy that Congress has made within its constitutional powers. Where Congressional intent is discernible . . . we must give effect to that intent. *Sinclair Refining Company v. Atkinson*, 370 U. S. 195, 215, 82 S. Ct. 1328, 1339 (1962), overruled on different grounds, *Boys Market, Inc. v. Retail Clerks Union Local 770*, 398 U. S. 235 (1970).

The choice of Congress in enacting the diversity statute is simple, its intent plain, and if a litigant may resort to invoking the *Hicks* doctrinal language of preempting a federal court of its jurisdiction before there has been "proceedings of substance on the merits" in a diversity case, then the whim of one's adversary will be vested with power to choose the forum at the expense of a strong Congressional mandate to the contrary; a result of which fundamentally alters the federal jurisdictional scheme.

Since the diversity statute has as its avowed purpose, the avoidance of prejudice against out of state residents, it is reasonable to argue that the standards for abstention by a federal court to refuse to exercise its diversity jurisdiction should be decidedly circumscribed. *McNeese v. Board of Education, Etc.*,

373 U. S. 668, 673, fn. 5, 83 S. Ct. 1433, 1436, fn. 5 (1963); *Meredith v. City of Winter Haven*, 320 U. S. 228, 234, 64 S. Ct. 7, 11 (1943); *Gentron Corp. v. H. C. Johnson Agencies, Inc.*, 79 F.R.D. 415, 418 (E.D. Wisc. 1978); Hart & Weschler, *The Federal Courts and The Federal System*, 989 (2d ed. 1973). These same considerations dictate that application of *Younger* and *Hicks* and its correlative principles of equitable restraint in a purely diversity context should likewise require a more rigorous touchstone than that promulgated in *Hicks* before effectively ousting a federal plaintiff from a federal forum. Petitioner submits that this Court should articulate guidelines in abstention cases requiring, as minimum, a hearing by the District Court judge of the factual reasons which would compel it to invoke the abstention doctrine. A reading of the transcript of proceedings (Appendix A) highlights the need for the dissemination of this guideline, even if the Court were to ultimately approve of abstention in a diversity setting. By allowing the full force of *Younger* to apply in any diversity case where, before there are "proceedings of substance on the merits", or a hearing on the abstention issue, a municipal citation akin to that subsequently instituted by Respondent against Petitioner were filed, would degenerate federal diversity jurisdiction into a paper tiger. It should be noted that in the case at bar no such hearing was held on the abstention issue, nor for the matter, on the "bad faith or harassment" question. This hearing is anticipated but not required by *Younger*.

The principles of *Younger v. Harris*, as applied in *Hicks*, reflect a central concern for the classic tenets of equity, comity and federalism. However, these concepts similarly require a "sensitivity to both State and National Governments", *Younger v. Harris*, 401 U. S. at 44, 91 S. Ct. at 750 (emphasis added), not "blind deference to 'State's Rights'", *Ibid.* Mr. Justice Stewart correctly observed in this dissenting opinion in *Hicks* that:

Younger v. Harris and its companion cases reflect the principles that the federal judiciary must refrain from in-

terfering with the legitimate functioning of state courts. But surely the converse is a principle no less valid. *Hicks v. Miranda*, *supra*, 422 U. S. at 356, 95 S. Ct. at 2295.

Therefore, the mere incantation of federalism, without more, by a federal court in a diversity case is too slim a reed to rest the Petitioner's ejection from a federal forum.

This Court should articulate clearly if *Hicks* should apply in a diversity context, as the case at bar is clearly distinguishable from the fact scenario of *Hicks*. One ground of decision in *Hicks* was that the interests of a theatre owner were so intertwined with those of his employees, that pending state prosecutions against the employees barred a federal action filed by the owner. *Hicks*, *supra*, 422 U. S. at 348-349, 95 S. Ct. at 2291, 2292. Here, by contrast, at the time the federal action was filed by Petitioner, there were no related pending state court proceedings of any sort. Moreover, whereas the action instituted in *Hicks* by the district attorney was purely criminal in nature,² the complaint filed by the Respondents herein was merely a citation to effectuate a local Village ordinance. Indeed, one commentator has maintained that a proceeding brought to enforce a local ordinance may not involve a state interest of sufficient magnitude, under the *Younger* balancing process, to require dismissal of the federal action in the *Hicks* procedural posture. "Federal Equitable Restraint: A *Younger* Analysis in New Settings", 35 *Maryland Law Review*, 483, 507 (1976).

The case of *Huffman v. Pursue, Ltd.*, 420 U. S. 592 (1975) does not compel a different result. There, the *Younger* interdiction was held applicable to state proceedings "akin to a criminal prosecution". 420 U. S. at 604. On the other hand, there is no state-wide policy to vindicate nor any statute to enforce in the case at hand; nor, for that matter, should the Respondent be characterized as an arm of the sovereign for *Younger* pur-

2. "Today, the State must file a criminal charge to secure dismissal of the federal litigation." *Hicks v. Miranda*, *supra*, 442 U. S. at 357 (dissenting opinion) (emphasis added).

poses. Furthermore, to highlight the frustrations of your petitioner in this cause, the trial court never gave your petitioner an opportunity to discuss these considerations, but rather, summarily foreclosed such consideration. (See Appendix A at A3). Had such a hearing been exacted by Supreme Court mandate, the onus of this burdensome procedure upon petitioner would never have been required.

To further buttress the Petitioner's contention of the unseemly interposition of *Younger* and *Hicks*, is a recent pronouncement by this Court on the propriety of declining to exercise jurisdiction when a state court proceeding has been filed subsequent to the federal question suit. In *Town of Lockport v. Citizens For Community Action*, 430 U. S. 259, 97 S. Ct. 1047 (1977), the Court, speaking through Mr. Justice Stewart, rejected the applicability of *Younger* in a *Hicks* context:

The District Court also enjoined pending state proceedings brought by the appellants to challenge the certification and enforcement of the 1974 Charter. The appellants now argue that the District Court should have deferred to the jurisdiction of the state court. Even assuming that *Younger v. Harris*, 401 U. S. 37, principles are fully applicable in the civil rights context, however, the original action challenging the dual-majority provision of the New York law had been brought in the federal court *well before* the appellants filed their state-court action, and principles of comity and federalism, do not require that a federal court abandon jurisdiction it has properly acquired simply because a similar suit is later filed in a state court. 430 U. S. at 26, fn. 8, 97 S. Ct. at 1051, fn. 8. (emphasis added).

The import of that language compels the result that Petitioner was similarly denied his rightful access to a federal forum. While *Town of Lockport, supra*, held that the doctrine of equitable restraint would not lead to a dismissal of the federal complaint in a sensitive federal question context, then that same result must obtain here, *a fortiori*, where the Petitioner's claim is predicated merely on diversity of citizenship and purely state-created rights. Furthermore, the original action of the Petitioner

had been instituted over two months before Respondents decided to file their Village complaint. Clearly, this should be deemed in the words of this Court to be "well before" the Respondents later filed their claim. *Town of Lockport, supra*, 430 U. S. at 264, fn. 8.

In the final analysis, on the issue of whether *Younger* and *Hicks* should be inexorably applied to a purely diversity context, as in all issues under the rubric of "Our Federalism", lower federal court decisions are of limited value in directing future adjudications. This leads inescapably to the conclusion that because the doctrine is a creature of this Court and because this Court has not in the past been reluctant to redefine its contours, then this Court must address itself to this particular novel issue for final resolution by granting the Petitioner's request for Certiorari. The Petitioner should not be subjected to the Sword of Damocles hanging over its head when it properly invokes federal diversity jurisdiction and merely seeks a neutral forum for the adjudication of its rights with respect to its sign.

II.

THE DISTRICT COURT ERRED IN DENYING PETITIONER AN OPPORTUNITY TO ALLEGE AND CONDUCT A HEARING WITH RESPECT TO BAD FAITH, HARASSMENT OR ABSTENTION UNDER THE EXCEPTION CARVED OUT BY *YOUNGER v. HARRIS* AND ITS PROGENY.

Even assuming *arguendo* that *Younger* and *Hicks* apply in a diversity context, the District Court must, at a minimum, at least afford the proponent an *opportunity* to fall within the exception fashioned by the principle case. In this regard, the *Younger* interdiction was held not to apply where the federal plaintiff could affirmatively adduce evidence of "bad faith, harassment, or any other unusual circumstances that would call for equitable relief." *Younger v. Harris, supra*, 401 U. S. at 54. It is submitted that the District Court failed altogether to even allow Petitioner leave to amend its complaint so as to ac-

cord it an occasion to conform within the safe harbor created by *Younger*.

No doubt there is truth in the proposition that 15(a) of the Federal Rules of Civil Procedure encourages a court to look generously upon requests to amend, as it expressly states that "leave shall be freely given when justice so requires". So also have the decisions of this Court hospitably reinforced what the language of the rule plainly intends to impart. *e.g.*, *Gillespie v. U. S. Steel Corp.*, 379 U. S. 148, 85 S. Ct. 308 (1964); *Foman v. Davis*, 371 U. S. 178, 83 S. Ct. 227 (1962). But more significantly, that same subdivision of Rule 15 additionally specifies that "[a] party may amend his pleading once as a matter of course any time before a responsive pleading is served. . .". In the case at bar, the Respondent had merely filed a motion to dismiss grounded on the alleged failure by Petitioner to satisfy the requisite jurisdictional amount. There was no answer filed by Respondent to the original pleadings. The law in the Seventh Circuit clearly establishes that a motion to dismiss is not tantamount to, nor the functional equivalent of, a "responsive pleading" pursuant to Rule 15, and, thereby confers upon the plaintiff the right to amend his pleading as a matter of course and without leave of court. *LaBatt v. Twomey*, 513 F. 2d 641, 650-651 (7th Cir. 1974). Furthermore, the Respondent cannot claim surprise by any proposed amendment; indeed, if there is surprise it was when the trial court on its own motion invoked the doctrine of abstention. (See Appendix A at pp. A3-4). As a result, the Petitioner had a right to amend his complaint which he could not be deprived in order to aver the essential requirement of bad faith or harassment under the *Younger* doctrine.

The right of the Petitioner to amend his complaint takes on an added dimension in view that the inquiry of whether bad faith or harassment exists is characterized as a question of fact, not law. Indeed, this Court, on the same day it decided *Younger*, held in a companion case, that the "existence of such injury is a matter to be determined carefully under the facts of each case".

Dyson v. Stein, 401 U. S. 200, 203, 91 S. Ct. 769, 771 (1971); *Accord: Wilson v. Thompson*, 593 F. 2d 1375, 1388 (5th Cir. 1979); *Beecher v. Baxley*, 549 F. 2d 974, 977 (5th Cir. 1977); *Shaw v. Garrison*, 467 F. 2d 113, 120, fn. 8 (5th Cir. 1972), reversed on different grounds, 436 U. S. 584 (1978). The inescapable point is that because the issue of bad faith or harassment is largely a question of fact, depending on the circumstances of the particular case, the District Court erred, and the Petitioner was prejudiced, by not permitting the Petitioner to, at a minimum, demonstrate whether he is a beneficiary of the *Younger* exception. This situation could be avoided in the future by the issuance by this Court of a mandate affording, at minimum, a hearing on the abstention or "bad faith" etc. issue.

By parity of reasoning, it was reversible error for the District Court to not only deny Petitioner to rightfully amend his complaint, but more importantly, to wholly fail to conduct an evidentiary hearing on the contention of bad faith or harassment. (See Appendix A.) This issue was brought into sharp focus in *Stewart v. Davis*, 460 F. 2d 278 (5th Cir. 1972), wherein the Court concluded that the trial judge should have, at the least, listened to actual tape recordings before deciding that the plaintiff was being prosecuted in good faith, thereby negating the plaintiff's allegations of bad faith and harassment. 460 F. 2d at 279. To this end, the Court, conceding that a plaintiff bears a heavy burden on establishing either prosecutorial bad faith or harassment, maintained that "we think he is nonetheless entitled to a hearing conducted in conformity with constitutional provisions" in order to ascertain the merit of his bad faith or harassment disputation. *Ibid.*

It cannot be overemphasized and this Court must be mindful of the fact that Petitioner does not seek an answer to the more troublesome question, namely, the precise contours of bad faith or harassment in the *Younger* sense, but rather, merely the bare opportunity to present such allegations in the District Court to determine their propriety. For it is one thing to say

that the exception to the doctrine of equitable restraint necessitates a showing of bad faith or harassment on part of a plaintiff, but it is quite another, to altogether foreclose that plaintiff from even endeavoring to prove that he falls squarely within that judicially formulated qualification. This especially is true in view of the most liberal rules for amendment observed by this Court, *Foman v. Davis*, *supra*, 371 U. S. at 182, 83 S. Ct. at 230, and the Seventh Circuit. *Fuhrer v. Fuhrer*, 292 F. 2d 140, 143 (7th Cir. 1961). Even under *Hicks* the District Court conducted an evidentiary hearing on the asserted allegation by the federal plaintiff of bad faith and harassment on part of the defendant, 422 U. S. at 350, 95 S. Ct. at 2292, and there is no valid reason why a similar fact-finding determination should be no less applicable in the case at hand. To be sure, the protective mantle furnished by *Younger* and its progeny furthers the legitimate concerns of federalism and comity among sovereigns, yet, this same doctrine can work a grave mischief upon a federal plaintiff, such as Petitioner, when exalted into a prophylactic rule which cavalierly dismisses out of hand any attempt by the proponent to substantiate his bad faith or harassment claim.

In short, the question of bad faith and harassment under *Younger* is a factual inquiry, the determination of which turns on the circumstances of the particular case. Here, it is not so much that the District Court may have abused his discretion in disallowing an amendment to the pleadings, but that the fundamental right of the Petitioner of a mere opportunity to be heard on the issue of bad faith and harassment was improperly withheld. It is the Petitioner's fervent hope that this Court will see fit to review this matter.

CONCLUSION.

For the reasons discussed above, Petitioner respectfully requests a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Seventh Circuit.

Respectfully submitted,

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A1

APPENDIX "A"

IN THE UNITED STATES DISTRICT COURT
Northern District of Illinois
Eastern Division

LUCKY STORES, INC., a
California Corporation,
Plaintiff,

vs.

VILLAGE OF LOMBARD, a municipal
corporation of Illinois,
Defendant.

No. 78 C 1198

TRANSCRIPT OF PROCEEDINGS

had in the above-entitled cause before the Honorable John Powers Crowley, one of the Judges of said Court, in his courtroom in the United States Courthouse, Chicago, Illinois, on June 6, 1978, at 9:30 a.m.

Present:

MR. HOWARD E. GILBERT,
(134 North LaSalle Street, Chicago, Ill.),
on behalf of Plaintiff;

MS. SARAH A. HANSEN,
(Klein, Thorpe and Jenkins, Ltd.,
180 N. LaSalle, Chicago, Ill. 60601),
on behalf of Defendant.

The Clerk: 78 C 1198, Lucky Stores v. Village of Lombard, motion to vacate order of dismissal of May 18th.

Mr. Gilbert: Good morning, your Honor. My name is Howard Gilbert. I represent the plaintiff, Lucky Stores, Inc.,

on this motion, your Honor. We filed our motion with the Court. We had received an order of dismissal on the case, which came as a surprise to us, since we didn't know a motion had been pending.

The Court: All right.

Mr. Gilbert: Nor had we received it.

The order of dismissal appears to deal with the concept—

The Court: With the jurisdictional amount. You have submitted an affidavit.

Mr. Gilbert. That is correct, your Honor.

The Court: All right. Well, counsel, I will tell you this, in reading the complaint, there are two additional grounds upon which I would feel compelled on my own motion to dismiss this action, and the first of that is the abstention doctrine. We are talking about a municipal ordinance or a village ordinance that you are bringing into the Federal Court purely on diversity, alleged diversity of citizenship, and I think under the principles of the Railroad Commission of Texas v. Pullman, established at least since 1941, that rulings by Federal Courts construing state or local law are not only unnecessary but they really violate long-held principles of federalism. There is no question here of the constitutionality of the statute.

Secondly, one of your prayers for relief seeks to enjoin the enforcement of this ordinance and, again, under the well-established principles as enunciated by the Supreme Court in *Younger v. Harris* and *Huffman v. Pursue*, I can't grant an injunctive relief against the enforcement of a quasi-criminal ordinance, and for those reasons—I will add those to my reasons for dismissal of the complaint, and deny your motion.

Mr. Gilbert: Well, if it please the Court, in all due respect, I don't feel that if we did not receive a motion and an opportunity to—

The Court: Counsel, I am doing this on my own motion, O.K.?

Mr. Gilbert: Well, if it please the Court, I would at least like an opportunity to respond to those things. If the Court is dismissing my complaint, I would like at least an opportunity to respond to those things, if for anything, for the record, if for anything, to amend my complaint, if that be the case.

The Court: How are you going to amend your complaint to cure the abstention doctrine?

Mr. Gilbert: Your Honor, I have not studied the abstention doctrine up until this point, I haven't had an opportunity to do so.

The only thing that I received was a dismissal order saying that we did not meet the jurisdictional basis.

I have submitted an affidavit and a memorandum of law on that point.

The Court: Right.

Mr. Gilbert: I believe that on that point the Court—I believe we are entitled at least to that aspect.

The Court: I have said to you, counsel, that you have cured the jurisdictional defect, but on the two additional grounds—I don't think Federal Courts should be concerning themselves with whether the Village of Lombard acted within its authority in establishing height regulations and size regulations on signs for grocery stores. That is a village ordinance which the Courts of Illinois are more than competent, indeed, more competent than the Federal Courts, to construe.

Your complaint is dismissed, counsel.

Mr. Gilbert: Well, your Honor, if it please the Court, I would at least like the Court's additional reason in its order stated.

The Court: I have just stated them, counsel. I don't think I can make them any clearer.

Mr. Gilbert: Your Honor, in all fairness, I understand the Court has done its own research.

The Court: If you wish to appeal, appeal.

Mr. Gilbert: At this point in time I haven't even had an opportunity to respond to these things. I don't think that is fair, I honestly don't. I understand this is a Federal Court and your Honor can, you know, bring things up.

I think the plaintiff has at least an opportunity to file something in response to what the Court is raising—

The Court: Counsel—

Mr. Gilbert: —at least that much of the due process give me so that—

The Court: Counsel—

Mr. Gilbert: —I can at least file for my record—

The Court: Counsel, at least give me—I have ruled.

Mr. Gilbert: Well—

The Court: Well—

Mr. Gilbert: Is this the final order of today? Do I have my appeal period run from today?

The Court: Your appeal period runs from today.

Mr. Gilbert: And this is based on abstention?

The Court: What I have just said, abstention and the lack of jurisdiction in a Federal Court to enjoin the enforcement of a quasi-criminal ordinance.

Mr. Gilbert: I would like to ask leave to file an amended complaint.

The Court: Denied. Call the next case.

The Clerk: 74 C 2341—

The Court: I suggest you file a complaint in the State Court.

Mr. Gilbert: I understand, your Honor.

The Court: All right.

Mr. Gilbert: The State courts—that is exactly why we are in the Federal Court, to get fair treatment, but we don't get that here either.

The Court: Counsel, that statement is contemptuous.

Mr. Gilbert: Your Honor, I am sorry.

The Court: All right.

IN THE UNITED STATES DISTRICT COURT
Northern District of Illinois
Eastern Division

LUCKY STORES, INC.,	} No. 78 C 1198.
<i>Plaintiff,</i>	
vs.	
VILLAGE OF LOMBARD,	}
<i>Defendant.</i>	

CERTIFICATE.

I hereby certify that the foregoing transcript, consisting of Pages 1 to 6, inclusive, is a full, true and accurate transcript of my official shorthand notes taken at the hearing of the above-entitled cause before the Honorable JOHN POWERS CROWLEY, one of the Judges of said Court, on June 6, 1978.

/s/ RAYMOND J. COMEAU,
*Official Court Reporter, United
States District Court, Northern
District of Illinois, Eastern
Division.*

APPENDIX "B"

UNITED STATES COURT OF APPEALS

For the Seventh Circuit

Chicago, Illinois 60604

Argued April 4, 1979

May 21, 1979

Before

HON. WALTER J. CUMMINGS, *Circuit Judge*HON. HARLINGTON WOOD, JR., *Circuit Judge*HON. WILLIAM J. JAMESON, *Senior District Judge**

LUCKY STORES, INC.,
Plaintiff-Appellant,
 No. 78-1912 vs.

VILLAGE OF LOMBARD,
Defendant-Appellee.

Appeal from the
 United States Dis-
 trict Court for the
 Northern District of
 Illinois, Eastern Di-
 vision.

No. 78-C-1198

John P. Crowley,
Judge.

ORDER.

This appeal arises from the district court's order which re-
 fused to vacate the dismissal of appellant's diversity complaint
 on the basis of equitable restraint required under *Younger v.*
Harris, 401 U. S. 37, and the doctrine of abstention. This Court
 has jurisdiction under 28 U. S. C. § 1291. We affirm.

* Senior District Judge William J. Jameson of the District of
 Montana is sitting by designation.

We assume, of course, the truth of the well-pleaded facts
 alleged in plaintiff's complaint, which are, in material part as
 follows: On March 16, 1978, the Village of Lombard, Illinois,
 acting through its zoning administrator, presented a written de-
 mand on plaintiff Lucky Stores (Lucky) to remove or to alter
 its pylon sign located at the entrance of the store's parking lot.
 Plaintiff admitted that the sign exceeds the allowable square
 footage permitted under the present ordinance, but alleged that
 the sign was lawfully erected prior to the enactment of the
 present ordinance, and therefore is a preexisting legal non-
 conforming use.

Lucky had done business at that Lombard location for several
 years under the business name of Memco, but recently changed
 the business name of the store to Eagle. At the same time,
 Lucky substituted "Eagle" for "Memco" on the free-standing
 sign located on the store's lot. No other words appear on
 the sign and no other change in the sign was made. Lucky
 contends that the alteration was lawful¹ and did not destroy
 the sign's status as a preexisting nonconforming use. On the
 other hand, the Village's position is that the "change in letter-
 ing" eliminates the sign's status as a legal nonconforming use
 and therefore the sign must either be removed or altered to
 comply with the size requirements of the present ordinance.

On March 31, 1978, Lucky filed a complaint in the district
 court seeking a declaration that the existing sign may remain
 as it is and seeking a temporary restraining order or injunction
 preventing the Village from instituting criminal or other sanc-
 tions against Lucky pending the disposition of the litigation in

1. Section VIII of the Sign Ordinance of the Village of Lombard
 states as follows:

"It shall be unlawful for any person to erect, construct, alter,
 or relocate any sign within the Village of Lombard without first
 obtaining a permit from the enforcement official and paying the
 fee required. Routine maintenance of changing of parts de-
 signed for changes shall not be considered an alteration, pro-
 vided such change does not alter the surface area, height, or
 otherwise make the sign non-conforming."

the district court. On May 18, 1978, the district court granted defendant's motion to dismiss the complaint on the ground that plaintiff failed to satisfy the jurisdictional amount since there is no probability that the value of the matter in controversy will exceed \$10,000.

On June 6, 1978, the district court denied a motion to vacate the dismissal order and refused to permit plaintiff to amend its complaint. In open court, the district judge acknowledged that plaintiff had cured the defect regarding the amount in controversy² but held that the abstention doctrine of *Railroad Commission of Texas v. Pullman*, 312 U. S. 496, and the analogous equitable prohibition on federal courts from enjoining the enforcement of a state's quasi-criminal ordinances³ lent additional support for dismissing the complaint. Thus the trial court refused to vacate its earlier dismissal order. No reference was made at this hearing or in the resultant order to the state suit which had been commenced by the Village for violation of its sign ordinance one day earlier, on June 5, 1978. At oral argument in this Court, counsel for Lucky noted that neither he nor the district court were aware of the filing of the Village's complaint at the time the dismissal order was entered.

Abstention

In holding that the doctrine of abstention bars the federal action, the district court referred to the principles established in *Railroad Commission of Texas v. Pullman*, 312 U. S. 496, which disfavor federal courts from unnecessarily construing state or local law. In *Pullman* plaintiffs brought an action to enjoin under state law as violative of the Fourteenth Amendment an order of the Texas Railroad Commission which required

2. Exhibit B to the Motion to Vacate was an affidavit from an electrical contractor attesting to the fact that the minimum cost for removing the existing sign and installing a new sign would be at least \$24,029. At the hearing, the trial court stated: "I have said to you counsel, that you have cured the jurisdictional defect * * *" (Transcript of June 6, 1978 proceedings at 4).

3. See *Younger v. Harris*, 401 U. S. 37.

Pullman conductors to supervise all sleeping cars on passenger trains. The Supreme Court held that in an action for an injunction it is proper for the district court to stay the federal action pending the determination of unresolved issues of state law in the state court when decision of the state law issues might obviate the need to decide a constitutional question. 312 U. S. at 501. Under *Pullman* since the federal action is stayed, federal jurisdiction is only deferred but is not eliminated.

Through a development of the general principles of federalism outlined in *Pullman*, abstention has also been held to be proper in diversity cases such as this. See *Fornaris v. Ridge Tool Co.*, 400 U. S. 41; *United Gas Pipe Line Co. v. Ideal Cement*, 369 U. S. 134. The holding in *Clay v. Sun Insurance Office*, 363 U. S. 207, is of particular interest. In *Clay* petitioner brought a diversity suit for damages incurred in Florida allegedly covered by an insurance contract issued to petitioner while he was a resident of Illinois. Respondent interposed defenses based on Florida law. The Supreme Court held first that state law should be applied before reaching the federal constitutional question, and second that since the state law in that case was not "settled"⁴ the district court should stay the federal suit pending the state court's resolution of the issues arising under state law.

Thus the *Pullman* abstention doctrine turns on the existence of an uncertain issue of state law, the decision of which may obviate the need to consider a federal constitutional question

4. But see the dissenting opinion of Justice Black, Chief Justice Warren, and Justice Douglas:

"I agree that it is frequently better not to decide constitutional questions when decision of nonconstitutional questions also presented will dispose of a case. But I do not agree that this is such an occasion. The state law questions do not call for first interpretation of a broad, many-pronged state regulatory scheme. They do not involve peculiarly local questions * * * nor are the state questions here difficult ones depending on ambiguous or vague state law, but instead they border on the frivolous." (Footnotes omitted.) 363 U. S. at 213-214.

which has been raised in a federal question or diversity action.⁵ There has been some variation in the degree of uncertainty in the state law which must be evidenced in order to justify abstention. In a diversity action the Supreme Court has stated that abstention is proper when it is "conceivable" that the state court decision might obviate the need to consider the constitutional issue. *Fornaris*, 400 U. S. at 43.

Lucky contends that because there is no allegation in its complaint that the Village ordinance violates the federal constitution, there is no constitutional issue which may be avoided by state court construction of unsettled state law and therefore abstention is inappropriate. Lucky additionally argues that the state law is settled, and therefore construction of the Lombard ordinance by a federal court will not have an impermissibly disruptive effect.

However, certain developments in the law since *Pullman* have made it clear that federal courts will also refuse to determine unsettled issues of state law even when a federal constitutional question has not been presented. *Colorado River Water Conservation District v. United States*, 424 U. S. 800; *Louisiana Power & Light v. Thibodaux*, 360 U. S. 25; *County of Allegheny v. Frank Masuda Co.*, 360 U. S. 185; *Thompson v. Magnolia Petroleum Co.*, 309 U. S. 478; *Meredith v. City of Winter Haven*, 320 U. S. 228. The unsettled issue of state law, however, must bear "on policy problems of substantial import whose importance transcends the result of the case then at bar." *Colorado River Water Conservation District*, 424 U. S. at 814. What type of issue "transcends the result of the case" is not clear from the case law.⁶ Other courts have held that abstention was

5. See 1A—Part 2 Moore's Federal Practice ¶ 203[1] at 2106-2107 (2d ed. 1978); *Pullman*, *supra*, 363 U. S. at 212.

6. See *Kaiser Steel Corp. v. W. S. Ranch Co.*, 391 U. S. 593 (the meaning of "public use" in New Mexico's eminent domain statute was held to be an unsettled state issue transcending the case before the court); *State of Idaho ex rel. Moon v. State Board of*

(Footnote continued on next page.)

proper solely in deference to a state's interest in the subject matter of the case without an highly unsettled issue of state law so long as the court is "in any doubt as to the proper meaning of the state statute." *Brown v. First National City Bank*, 503 F. 2d 114, 118 (2d Cir. 1974); *Gray Line Motor Tours, Inc. v. City of New Orleans*, 498 F. 2d 293, 298 (5th Cir. 1974); *Fralin & Waldron, Inc. v. City of Martinsville*, 493 F. 2d 481, 482-483 (4th Cir. 1974). We hold that abstention is warranted in this case because it involves matters peculiarly within the state's political interest which have been delegated to the Village. See, e.g., *City of Chicago v. Fieldcrest Dairies, Inc.*, 316 U. S. 168, 171-172. This result which avoids interference with administration of purely state affairs is likely to lessen friction in the federal-state relationship. Necessarily, then, we also conclude that the district court did not abuse its discretion in concluding that the application of the Lombard ordinance to Lucky involves the determination of a state law issue which is not "settled." That Illinois law on nonconforming use applies to Lucky and resolves the issues raised by it without further construction is not at all clear. See e.g., *Fralin & Waldron, Inc. v. City of Martinsville*, 493 F. 2d at 482.

The Younger Doctrine

As an alternate ground for dismissing the complaint, the district court ruled that the well-established principles enunciated in *Younger v. Harris*, 401 U. S. 37, prohibit the district court from awarding injunctive relief against a quasi-criminal ordinance. Under the *Younger* doctrine, a federal court is to dismiss actions for injunctive or declaratory relief⁷ which challenge

(Footnote continued from preceding page.)

Examiners, 567 F. 2d 588 (9th Cir. 1978) (the interpretation of state constitutional provisions was held to be an unsettled issue warranting abstention). 1A—Part 2 Moore's Federal Practice ¶ 203[2], at 2122-2123 (2d ed. 1978).

7. For the purposes of the *Younger* doctrine, declaratory judgment actions are governed by the same principles as an injunction. *Dyson v. Stein*, 401 U. S. 200; *Samuels v. Mackell*, 401 U. S. 60.

state law under which the federal plaintiff is being prosecuted in state court unless the federal plaintiff can demonstrate irreparable harm, or that the state criminal or quasi-criminal proceeding⁸ has been brought in bad faith.

Since, as the Village confirmed at oral argument, the district court did not know of the state court suit, the issue raised is whether *Younger* applies to a dismissal order entered when no state action is pending or when no state action was known by the district judge or the federal plaintiff to be pending. In *Steffel v. Thompson*, 415 U. S. 452, a case not discussed by either party to this appeal, the Supreme Court held that where no state criminal prosecution is pending but there is a threat of such prosecution and the federal plaintiff seeks a declaration as to the constitutionality of the state criminal statute, the constraints of *Younger* do not apply and the federal plaintiff need not demonstrate irreparable harm to secure a declaratory judgment. See also *Gibson v. Berryhill*, 411 U. S. 564. We conclude that the policy reasons underlying the extension of *Younger* to apply to the facts of *Steffel* warrant the extension of *Steffel* to apply to the facts of the present case. When no state proceeding is pending but there is a threat of institution of state quasi-criminal action, and the federal plaintiff seeks a declaration as to the "constitutionality" of the state criminal statute, the federal plaintiff need not demonstrate irreparable harm in order to defeat a motion to dismiss his federal complaint. Nonetheless the same policy reasons in *Younger* which favor deference to state enforcement of its own ordinances absent unconstitutional defects, supports our conclusion that there was no abuse of discretion in the district court's dismissing the federal complaint here.

8. The Court has extended *Younger v. Harris* to cases in which a state brings a civil proceeding, such as a public nuisance action, which is quasi-criminal. *Huffman v. Pursue*, 420 U. S. 592.

Amendment of the Complaint

Because amendment of the complaint could not cure the defect based on the abstention doctrine,⁹ the district court denied leave to amend and entered a final order of dismissal of the case. On the basis of the foregoing analysis of the law of abstention applicable to actions for declaratory relief alone, we agree that amendment would be futile. *Fuhrer v. Fuhrer*, 292 F. 2d 140, 143 (7th Cir. 1961). Assuming *arguendo* that the state courts will not hear the case, because abstention is merely a postponement of federal jurisdiction but not its abdication, Lucky may then return to the federal court without prejudice for disposition on the merits.

For these reasons the judgment of the district court is affirmed.

9. Lucky wished to amend its complaint by deleting any prayer for injunctive relief against the Village preventing it from instituting criminal or other sanctions.

APPENDIX "C"

UNITED STATES COURT OF APPEALS

For the Seventh Circuit

Chicago, Illinois 60604

June 18, 1979

Before

Hon. WALTER J. CUMMINGS, *Circuit Judge*

Hon. HARLINGTON WOOD, JR., *Circuit Judge*

Hon. WILLIAM J. JAMESON, *Senior District Judge**

LUCKY STORES, INC.,
Plaintiff-Appellant,

No. 78-1912 vs.

VILLAGE OF LOMBARD,
Defendant-Appellee.

} Appeal from the
United States Dis-
trict Court for the
Northern District of
Illinois, Eastern
Division.

No. 78-C-1198

John P. Crowley,
Judge.

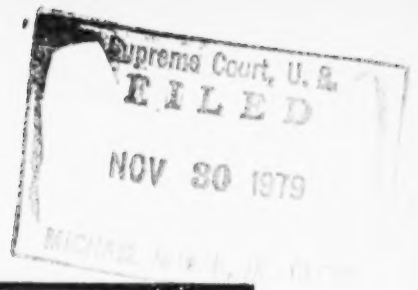
ORDER.

On consideration of the petition for rehearing filed in the above-entitled cause by appellant Lucky Stores, Inc., all of the judges on the original panel having voted to deny the same.

IT IS HEREBY ORDERED that the aforesaid petition for rehearing be, and the same is hereby, DENIED.

* Senior District Judge William J. Jameson of the District of Montana is sitting by designation.

No. 79-429



In the
Supreme Court of the United States

OCTOBER TERM, 1979

LUCKY STORES, INC.,
A CALIFORNIA CORPORATION,

Petitioner,

vs.

VILLAGE OF LOMBARD,
A MUNICIPAL CORPORATION,

Respondent.

On Petition For Writ Of Certiorari To The
United States Court Of Appeals
For The Seventh Circuit.

BRIEF FOR RESPONDENT IN OPPOSITION

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INDEX

	PAGE
Index	i
Table of Authorities	i
Argument for Denial of the Writ	2
I. Abstention Was Appropriate Because This Case Involves Matters Peculiarly Within The State's Political Interest, As Delegated To The Mu- nicipality	2
II. Federal Court Abstention In A Pure Diversity Case Seeking Relief Against A Municipal Or- dinance Is Appropriate	3
III. Lucky Was Properly Denied Leave To Amend Its Complaint	4
Conclusion	5

TABLE OF AUTHORITIES

<i>City of Chicago v. Fieldcrest Dairies</i> , 316 U.S. 168 (1942)	2
<i>Railroad Commission of Texas v. Pullman</i> , 312 U.S. 496 (1941)	1, 2, 5
<i>Sarfaty v. Novak</i> , 369 F.2d 256 (7th Cir. 1966)	4
<i>Younger v. Harris</i> , 401 U.S. 37 (1971)	4, 5

IN THE
SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1979

No. 79-429

LUCKY STORES, INC.,
A CALIFORNIA CORPORATION,
Petitioner,

vs.

VILLAGE OF LOMBARD,
A MUNICIPAL CORPORATION,
Respondent.

On Petition For Writ Of Certiorari To The
United States Court Of Appeals
For The Seventh Circuit.

BRIEF FOR RESPONDENT IN OPPOSITION

ARGUMENT FOR DENIAL OF THE WRIT

The Petition for Writ should be denied. The decision of the Court of Appeals was fundamentally correct and consistent with the many cases wherein the Supreme Court has determined the applicability of *Railroad Commission of Texas vs. Pullman*, 312 U.S. 496 (1941). Respondent submits that the reasoning underlying these cases applies with full force when a federal plaintiff is in district court solely on the basis of diversity jurisdiction.

I.

ABSTENTION WAS APPROPRIATE BECAUSE THIS CASE INVOLVES MATTERS PECULIARLY WITHIN THE STATE'S POLITICAL INTEREST, AS DELEGATED TO THE MUNICIPALITY.

As Lucky stated in its Petition at 4, the underlying controversy in this case concerns the applicability of Lombard's sign ordinance to Petitioner's sign, and specifically, whether Lucky's change of lettering on the sign rendered the sign an illegal nonconforming use.

Lombard submits that this question is one appropriately decided by Illinois courts, not by a federal district court, even one sitting in diversity and bound to apply Illinois substantive law. As this Court stated in *City of Chicago v. Fieldcrest Dairies*, 316 U.S. 168 (1942), in a case involving the construction of a City of Chicago ordinance and an Illinois law regulating the sale of milk in paper cartons,

We are of the opinion that the procedure which we followed in the *Pullman* case should be followed here. *Illinois has the final say as to the meaning of the ordinance in question.*

• • •

The determination which the District Court, the Circuit Court of Appeals, or we might make could not be anything more than a forecast—a prediction as to the ultimate decision of the Supreme Court of Illinois.

Id. at 171-2 (emphasis added). This Court then remanded the cause to the District Court with directions to abstain pending a state court determination.

Likewise, the question of whether Lucky's change of lettering rendered its sign an illegal nonconforming use is

properly a state issue, to be properly resolved by Illinois courts.

II.

FEDERAL COURT ABSTENTION IN A PURE DIVERSITY CASE SEEKING RELIEF AGAINST A MUNICIPAL ORDINANCE IS APPROPRIATE.

The nub of the issue before this Court is whether the parameters of *Pullman* and its progeny encompass matters before a federal district court solely on diversity grounds. Lombard submits that they do.

The considerations underlying *Pullman* abstention are avoidance of needless friction between state and federal governments, and husbanding of federal courts' equity jurisdiction. Diversity jurisdiction is predicated, on the other hand, on a *suspicion* of bias on the part of state courts toward out-of-state plaintiffs. This suspicion, while perhaps justified in an earlier era, has come under attack in recent years because of a general recognition of the increased sophistication of state courts. As the Seventh Circuit noted in its opinion, reproduced as Appendix B in Lucky's Petition, the intersection of the doctrines of *Pullman* abstention and of diversity jurisdiction has been treated before. See pp. A8-A11 of Lucky's Petition.

The question, therefore, is whether a party seeking declaratory and injunctive relief against the enforcement of a municipal ordinance on non-constitutional grounds is entitled to seek such relief from a federal district court, or whether that party should be remanded to its state court remedies.

Lombard submits that, since Lucky has called upon the district court's equity jurisdiction, considerations of equity

should prevail. Simply stated, if federal plaintiffs with federal *constitutional* claims can be directed to proceed in state courts for relief against enforcement of state and local laws, then a federal plaintiff with *no* constitutional claims, federal or state, should have no greater right to a federal forum.

III.

**LUCKY WAS PROPERLY DENIED LEAVE TO
AMEND ITS COMPLAINT.**

In *Sarfaty vs. Nowak*, 369 F.2d 256 (7th Cir. 1966), a civil rights suit for injunctive relief against the enforcement of a municipal ordinance, the trial court's denial of plaintiffs' petition for leave to amend their complaint, on the ground that they could not have avoided the abstention doctrine by amendment was upheld. The Seventh Circuit, in a decision foreshadowing *Younger vs. Harris*, 401 U.S. 37 (1971), noted that:

In the present case, no First Amendment rights are involved, no similar history of official harassment is alleged, and the local ordinance . . . deals with an area . . . traditionally subject to substantial state regulation.

. . .

No amendment, no matter how phrased, could be presented that would avoid the doctrine of abstention

369 F.2d at 259.

Lombard therefore contends that the district court's denial of leave to amend in the instant case was proper. To be noted is the fact that Judge Crowley was in a peculiarly apt position to rule on this issue, having represented the disappointed plaintiffs in *Sarfaty* on appeal.

CONCLUSION

The question of the applicability of the *Pullman* doctrine in a diversity setting has been discussed by this Court many times. The doctrine provides an adequate ground for the District Court's ruling in the instant case, and there is thus no reason for this Court to consider whether the *Younger* doctrine may apply in diversity as well.

For the reasons stated above, Respondent respectfully requests that Petitioner's application for a writ of certiorari be denied.

Respectfully submitted,

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IN THE
Supreme Court of the United States

OCTOBER TERM, 1979

No. 79-429

LUCKY STORES, INC., A CALIFORNIA CORPORATION,

Petitioner,

VS.

VILLAGE OF LOMBARD, AN ILLINOIS
MUNICIPAL CORPORATION,

Respondent.

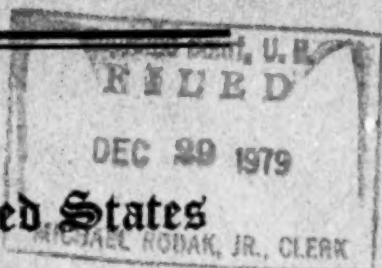
ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

**REPLY BRIEF OF THE PETITIONER IN SUPPORT
OF GRANTING THE WRIT OF CERTIORARI.**

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INDEX.

	PAGE
Reasons for Granting the Writ.....	2
I. There Being No Constitutional Issue to Be Adjudicated, the Respondent Improperly Characterizes the <i>Pullman</i> Doctrine as Controlling.....	2
II. It Was Improper as a Matter of Law for the District Court to Deny Petitioner an Opportunity to Amend Its Complaint	9
III. This Writ Should Be Granted So That This Court Can Review the Need for Requiring a Hearing Prior to the Invocation of Abstention in a Purely Diversity Context	11
Conclusion	13

TABLE OF CITATIONS.

Supreme Court Cases.

Alabama Public Service Commission v. Southern Railway Company, 341 U. S. 341 (1951).....	5, 7
Baggett v. Bullitt, 377 U. S. 360 (1964)	10, 12
Burford v. Sun Oil, 319 U. S. 315 (1943)	8
City of Chicago v. Fieldcrest Dairies, 316 U. S. 168 (1942)	4, 5
Colorado River Water Conservation District v. United States, 424 U. S. 800 (1976)	3, 7, 11
County of Allegheny v. Frank Mashuda Company, 360 U. S. 185 (1959)	3, 6, 10, 12
Ex Parte Young, 209 U. S. 123 (1908)	3
Erie R. Co. v. Tompkins, 304 U. S. 64 (1938)	7
Harman v. Forssenius, 380 U. S. 328 (1965)	3, 4
Harrison v. N. A. A. C. P., 360 U. S. 167 (1959)	5
Hicks v. Miranda, 422 U. S. 332 (1975)	2, 6, 13
Lake Carriers' Ass'n v. MacMullan, 406 U. S. 498 (1972)	3
Lindsey v. Normet, 405 U. S. 56 (1972)	3
Louisiana Power & Light Company v. City of Thibodaux, 360 U. S. 25 (1959)	4
Meredith v. City of Winter Haven, 320 U. S. 228 (1948)	11
Moore v. Sims, U. S., 99 S. Ct. 2371 (1979) ..	3
Osborn v. Bank of United States, 22 U. S. (9 Wheat.) 738 (1824)	7
Pease v. Peck, 59 U. S. (18 How.) 595 (1856)	12
Propper v. Clark, 337 U. S. 472 (1949)	4

Railroad Commission of Texas v. Pullman, 312 U. S. 496 (1941)	2-5, 7, 8, 10, 13
Wilcox v. Consolidated Gas Company, 212 U. S. 19 (1909)	13
Younger v. Harris, 401 U. S. 37 (1971)	6, 10, 13
Zwickler v. Koota, 389 U. S. 241 (1967)	12

Federal Cases.

Fuhrer v. Fuhrer, 292 F. 2d 140 (7th Cir. 1961)	9
Labatt v. Twomey, 513 F. 2d 641 (7th Cir. 1975)	9
McDonald v. Hall, 379 F. 2d 120 (1st Cir. 1978)	9
Oskierko v. Southwestern Horizons, Inc., 60 F. R. D. 365 (N. D. Ill. 1973)	9
Petterson Steels, Inc. v. Seidmon, 188 F. 2d 193 (7th Cir. 1951)	9
Sarfaty v. Nowak, 369 F. 2d 256 (7th Cir. 1966)	10
Smith v. Blackledge, 451 F. 2d 1201 (4th Cir. 1971) ...	9

State Supreme Court Cases.

County of DuPage v. Elmhurst-Chicago Stone Company, 18 Ill. 2d 479, 165 N. E. 2d 310 (1960)	4
---	---

Statutes.

28 U. S. C. § 1332(a)	6
-----------------------------	---

Rules.

Federal Rules of Civil Procedure, Rule 15(a)	9
--	---

Secondary Authority.

C. Wright, <i>Law of Federal Courts</i> (3rd Ed. 1976)	9
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IN THE
Supreme Court of the United States

OCTOBER TERM, 1979

No. 79-429

LUCKY STORES, INC., A CALIFORNIA CORPORATION,
Petitioner,

vs.

VILLAGE OF LOMBARD, AN ILLINOIS
MUNICIPAL CORPORATION,

Respondent.

ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

**REPLY BRIEF OF THE PETITIONER IN SUPPORT
OF GRANTING THE WRIT OF CERTIORARI.**

Your Petitioner, LUCKY STORES, INC., herein submits this
Reply Brief in support of its Petition for the issuance of a Writ
of Certiorari to review the judgment of the United States Court
of Appeals for the Seventh Circuit in the above-captioned case.

REASONS FOR GRANTING THE WRIT.

I.

THERE BEING NO CONSTITUTIONAL ISSUE TO BE ADJUDICATED, THE RESPONDENT IMPROPERLY CHARACTERIZES THE PULLMAN DOCTRINE AS CONTROLLING.

The Respondent heavily relies upon and affirmatively tenders to this Court the proposition that the principle enunciated in *Railroad Commission of Texas v. Pullman*, 312 U.S. 496 (1941) should apply, with its consequent declination of jurisdiction, in a purely diversity matter. (Brief of Respondent at pp. 2-4). It is submitted by the Petitioner that this type of argument is singularly unpersuasive; for a legal principle, although completely valid in its original context, should not be extended so far that it transforms into merely a rule of expediency rather than one of reason. The *Pullman* doctrine operates as a means of avoiding unnecessary adjudication of constitutional issues where a State court construction might obviate the need to pass on the question. However, Petitioner nowhere alleges, nor faintly intimates, that a constitutional infirmity is present. Rather, it merely is seeking to properly invoke the diversity jurisdiction of the federal courts for determining the propriety of its sign pursuant to the Village of Lombard ordinance. Furthermore, the Respondent fails altogether to even confront the central concern presented by the Petitioner herein of whether the doctrine laid down by this Court in *Hicks v. Miranda*, 422 U.S. 332 (1975), is operative in a diversity setting, instead, resting upon the impertinent tenets of *Pullman* and its progeny as a means of ousting a diversity suitor from a federal court.

The circumstances of this case do not remotely approach those supporting invocation of *Pullman* abstention, as there is no constitutional question being raised as to the ordinance, but only the application of same to Petitioner's sign. This doctrine no doubt graphically illustrated the judicial effort to reverse the

trend toward federal intervention into state matters which had been authorized by the landmark decision of *Ex Parte Young*, 209 U.S. 123 (1908). Its teachings counsel that in certain federal constitutional challenges to state statutes which is clearly not present in this case, a federal district court should exercise its discretion to stay its action pending interpretation of the challenged statute by the courts of the enacting state and thereby avoid an unnecessary federal constitutional adjudication. Indeed, this formulation was recently reaffirmed by this Court:

Thus evolved the doctrine of *Pullman* abstention: that a federal action should be stayed pending determination in state court of state law issues central to the constitutional dispute. *Moore v. Sims*, U.S., 99 S.Ct. 2371, 2379 (1979).

Accordingly, the doctrine was conceived to enhance notions of comity and further the principles of federalism by leaving to a state the interpretation of unsettled questions of that state's laws when such construction may dispose of a case short of federal constitutional scrutiny, e.g., *Lake Carriers' Ass'n v. MacMullan*, 406 U.S. 498, 510-511 (1972); *Lindsey v. Normet*, 405 U.S. 56, 60 n. 5 (1972). Indeed, this is coupled with the countervailing proposition not only that there is a clear presumption in favor of retention of federal jurisdiction once conferred, *Colorado River Water Conservation District v. United States*, 424 U.S. 800, 812 (1976); *County of Allegheny v. Frank Mashuda Company*, 360 U.S. 185, 188-189 (1959), but it is also well established that the doctrine "contemplates that deference to state court adjudication only be made where the issue of state law is uncertain". *Harman v. Forssenius*, 380 U.S. 328, 534 (1965).

Here, by stark contrast, it can hardly be imagined that the acceptance of federal diversity jurisdiction in order to resolve the mere applicability, rather than the constitutionality, of the Village of Lombard ordinance to the Petitioner's sign will engender "friction of a premature constitutional adjudication". *Pullman*, *supra*, 312 U.S. at 500. The issue presented by

Petitioner's complaint is whether or not the Petitioner's sign is a valid non-conforming use under the Village of Lombard sign ordinance provision? It does not ask for a constitutional review of the ordinance, but merely seeks a Federal diversity forum to adjudicate the applicability thereof to its sign. One can only see legal retrogression in extending a salutary principle designed to refrain from deciding unnecessary sensitive federal constitutional questions, to a factual circumstance, such as the pure diversity case at bar, which is wholly inconsistent with its genesis. Where the reason for the rule is wanting, its application should not obtain; as to hold otherwise, might very well enervate diversity jurisdiction, *Propper v. Clark*, 337 U. S. 472, 492 (1949), at the hands of the *Pullman* doctrine, with the consequence of finding abstention to be the rule rather than the exception to the exercise of federal jurisdiction.

The unseemly interposition of the *Pullman* doctrine takes on an added dimension in view of the fact that the substantive law to be applied by the federal court sitting in diversity is not ill-defined, as it is so required to be for abstention to prevail. *Harman v. Forssenius*, *supra*, 380 U. S. at 534. Instead, the Illinois Supreme Court has clearly stated that "the rules applicable to non-conforming uses are well settled." *County of DuPage v. Elmhurst-Chicago Stone Company*, 18 Ill. 2d 479, 165 N. E. 2d 310, 312 (1960). Moreover, any suggestion that a federal constitutional question may nevertheless lurk in the background of the Petitioner's Complaint for a Declaratory Judgment is not enough to elevate the issue presented into one potentially ripe for *Pullman* to be brought into play. *Louisiana Power & Light Co. v. City of Thibodaux*, 360 U. S. 25, 33 (1959) (dissenting opinion). The case cited by the Respondent of *City of Chicago v. Fieldcrest Dairies*, 316 U. S. 168 (1942) does not compel a different result. (Brief of Respondent at p. 2). There, *Fieldcrest Dairies* prayed for a declaratory judgment concerning the applicability of a city ordinance in its complaint that alternatively sought to render such ordinance un-

constitutional if an adverse construction thereto was pronounced by the Court. 316 U. S. at 170. The issue presented was further complicated with the dispute involving a question as to whether the city ordinance had violated a particular state enactment. The indelicacy of construing the ordinance without authoritative guidance from the Illinois Courts, together with the alleged conflict of authority between the city and state acts, counseled abstention to forbear passing on the asserted constitutional infirmity to the ordinance. Above all, not only did this Court in *Fieldcrest Dairies* characterize their abstaining under the *Pullman* doctrine as a means for "[a]voidance of constitutional adjudications where not absolutely necessary", 316 U. S. at 173, but so also have subsequent decisions. *e.g. Harrison v. N. A. A. C. P.*, 360 U. S. 167, 176 (1959). There is, however, no correlative intimation in any of the cases that the wisdom of *Pullman* should be equally prescribed in a purely diversity matter, such as that at hand. It cannot be overemphasized that the Petitioner does not seek nor has he ever asserted that the ordinance in question is remotely susceptible to constitutional challenge. Rather, he is simply invoking the diversity jurisdiction of the federal courts as a forum to litigate the suitability of his sign as set against the Village of Lombard ordinance concerning the propriety of non-conforming uses. It would certainly be an innovative principle and establish a dangerous precedent to hold that the *Pullman* doctrine dictates abstention in a purely diversity context and in the complete absence of any constitutional claim; indeed, this Court has admonished that "it was never a doctrine of equity that a federal court should exercise its judicial discretion to dismiss a suit merely because a state court could entertain it." *Alabama Public Service Commission v. Southern Railway Company*, 341 U. S. 341, 361 (1951) (Frankfurter, J., concurring).

In like fashion, the Respondent contends that because the matters of this case implicate concerns peculiarly within the province of a state as delegated to a municipal corporation,

abstention is especially appropriate. (Brief of Respondent at pp. 2-3). However, the ramifications of such a conclusory proposition are directly at variance with and betoken a pernicious oversimplification of the inherent tenets of federalism. Rather, the hallmark of "Our Federalism", *Younger v. Harris*, 401 U. S. 37, 44 (1971), contemplates an "accommodation of competing interests", *Hicks v. Miranda*, 422 U. S. 332, 357 (1957) (Brennan, J. dissenting), which could easily be distorted beyond recognition by espousal of that proffered by Respondent. Indeed, simply because the Illinois substantive law of non-conforming uses, as set forth in the Village of Lombard ordinance, is brought into play in a federal forum where jurisdiction is based purely on diversity of citizenship, should not talismanically offer a litigant the protective mantle of abstention, nor the federal court the opportunity to forebear from discharging their Congressionally directed responsibility. Moreover, the Respondent's characterization of abstention could very well convert that doctrine into a mere semantical joust in interpreting what constitutes matters peculiarly within the bailiwick of a sovereign, rather than endeavoring to properly balance the competing interests in a federal-state dichotomy.

Confronted with the foregoing propositions, it is submitted by the Petitioner that the touchstone for abstention ought not turn exclusively on the subject matter engaged in before the federal court, but upon the potential disruptive effect to be perceived by undertaking such an exercise of jurisdiction. As this Court has plainly observed in a diversity context, the fact that the sovereignty of a state is involved, *County of Allegheny v. Frank Mashuda Co.*, *supra*, 360 U. S. at 191-192, or that the matter is "peculiarly within the State's competence to regulate", *Id.* at 192 n. 3, is no legitimate reason for abstention to obtain. Similarly, it taxes one's credulity to contend that the simple application of a village ordinance can have such a substantial public import the resolution of which would result in outweighing a clear Congressional mandate to the contrary. 28 § U. S. C. § 1332(a). For it need

hardly be said that the federal court would be applying the same Illinois substantive law that an otherwise Illinois tribunal would find operative. *Erie R. Co. v. Tompkins*, 304 U. S. 64 (1938). In this connection, the Respondent further maintains that the issue to be resolved herein is a state concern whose adjudication more properly should be determined in the Illinois courts. (Brief of Respondent at pp. 2-3). Yet, the fundamental flaw in this analysis lies in the fact that pursuant to diversity jurisdiction, the issues encountered by a federal court will, by definition, invariably be state-created rights. There is no denying that the strict logic of Respondent's contentions, if carried to its ultimate conclusion, might completely swallow up the fountainhead of diversity jurisdiction, as well as fly in the face of the "virtually unflagging obligation of the federal courts to exercise the jurisdiction given them". *Colorado River Water Conservation District v. United States*, *supra*, 424 U. S. 800, 817 (1976). Consequently, inasmuch as this Court, in no uncertain terms, has opined that it is inappropriate for a federal court to "dismiss a suit merely because a State court could entertain it", *Alabama Public Service Commission v. Southern Railway Company*, *supra*, 341 U. S. at 361, those same compelling considerations dictate that it was error to likewise abstain in the case at bar.

What is more, Respondent intimates that in view of the growing dissatisfaction with diversity jurisdiction, the principles announced in the *Pullman* doctrine should be applicable to oust the Petitioner from a federal forum. (Brief of Respondent at pp. 3-4). It is unquestionably beyond the province of the judiciary to weigh the wisdom of the conferral of diversity jurisdiction upon the federal courts. This well-settled proposition was broadly stated by Mr. Chief Justice Marshall,¹ and specifically addressed to more recently by Mr. Justice Frankfurter:

1. "Judicial power is never exercised for the purpose of giving effect to the will of the judge; always for the purpose of giving effect to the will of the legislature; or, in other words, to the will of the law". *Osborn v. Bank of United States*, 22 U. S. (9 Wheat.) 738, 866 (1824).

Thus, the basic premise of federal jurisdiction based upon diversity of the parties' citizenship is that the federal courts should afford remedies which are coextensive with rights created by state law and enforceable in state courts. That is the theory of diversity jurisdiction. Whether it is a sound theory, whether diversity jurisdiction is necessary or desirable in order to avoid possible unfairness by state courts, state judges and juries, against outsiders, whether the federal courts ought to be relieved of the burden of diversity litigation,—these are matters which are not my concern as a judge. They are the concern of those whose business it is to legislate, not mine. I speak as one who has long favored the entire abolition of diversity jurisdiction. (citation omitted). But I must decide this case as a judge and not as a legislative reformer.

* * * * *

We are dealing, then, not with a jurisdiction evolved and shaped by the courts, but rather with one explicitly conferred and undeviatingly maintained by Congress. *Burford v. Sun Oil*, 319 U. S. 315, 337 (1943) (Frankfurter, J.) (dissenting opinion).

Similarly, as has been underscored by Petitioner in this brief, the procedural standard declared in *Pullman* was fashioned to spare the federal courts of constitutional adjudication when a narrowing construction of the statute in question by the State Courts to obviate the infirmity may be forthcoming. On the other hand, that decision should not mean to suggest unmitigated judicial abdication of resolving purely state-created rights, especially in view of the historic function of federal courts in executing their diversity mandate.

In short, it is precisely due in large measure to the delicacy of and apparent confusion over the parameters of the judicially created abstention doctrine, with its correlative principles of federalism, comity and equity, that clearly warrant Supreme Court review and guidance in this matter.

II.

IT WAS IMPROPER AS A MATTER OF LAW FOR THE DISTRICT COURT TO DENY PETITIONER AN OPPORTUNITY TO AMEND ITS COMPLAINT.

As the Petitioner sets forth in its brief (at p. 16), Rule 15(a) of the Federal Rules of Civil Procedure states that "[a] party may amend his pleading once as a matter of course any time before a responsive pleading is served . . .". In this regard, it is firmly established that a motion to dismiss does not constitute a "responsive pleading" within the meaning of Rule 15(a) and hereby confers upon the movant a right to amend its complaint without first securing leave of court. This proposition is not only inveterate with precedent in the Seventh Circuit, *Labatt v. Twomey*, 513 F.2d 641, 650-651 (7th Cir. 1975); *Fuhrer v. Fuhrer*, 292 F.2d 140, 142 (7th Cir. 1961); *Petterson Steels, Inc. v. Seidmon*, 188 F.2d 193, 194 (7th Cir. 1951); *Oskierko v. Southwestern Horizons, Inc.*, 60 F.R.D. 365, 369 (N.D. Ill. 1973), but finds further support in sister circuits, e.g., *McDonald v. Hall*, 379 F.2d 120, 121 (1st Cir. 1978); *Smith v. Blackledge*, 451 F.2d 1201 (4th Cir. 1971), as well as authoritative commentators. See, e.g., Wright, *Law of Federal Courts*, 310 (3rd ed. 1976). The Respondent, having merely filed a motion to dismiss the Petitioner's complaint, and in the absence of answering thereto, as a matter of law afforded the Petitioner an opportunity to amend its complaint.

The element of discretion, albeit appropriate when leave of court is necessary, is conversely not permitted when, as here, there has been no responsive pleading submitted. The positive language of the Rule coupled with the distinct trend, if not the clear weight of authority, as evidenced in the case law, leaves no room for doubt that the District Court erred in not according Petitioner an opportunity for amending its position.

The decision of *Sarfaty v. Nowak*, 369 F.2d 256 (7th Cir. 1966) cited by the Respondent (Brief of Respondent at p. 4),

if not erroneous as a matter of law concerning the propriety of amendment in light of subsequent pronouncements by the same Court, as well as the clear weight of authority, is factually distinguishable. Not only was *Sarfaty*, *supra*, a case where abstention was invoked in a classic *Pullman* context, rather than one based purely on diversity of citizenship jurisdiction, but moreover, its underlying reasoning denying a right to amend is somewhat fallacious. This conclusion flows from the simple fact that the decision itself antedated that laid down in *Younger v. Harris*, 401 U. S. 37, 54 (1971), the latter fashioning an *exception* to the abstention doctrine in the form of bad faith, harassment or other unusual circumstances, within which the Petitioner herein merely seeks an opportunity to allege and contrariwise was not available at the time of the *Sarfaty* holding.

At a minimum, the abstention doctrine reveals that the applicability of the principle, and its consequent abnegation of jurisdiction, is determined by a careful balancing of vying interests necessarily reflective of federalism concerns, instead of by mechanical reference to precise rules. *Baggett v. Bullitt*, 377 U. S. 360, 375 (1964); *Younger v. Harris*, *supra*, 401 U. S. at 44. These same considerations should equally dictate and therefore decidedly weigh in favor of a generous disposition toward amendment when confronted with an abstention interposition. Indeed, permitting such amendment so as to endeavor to utilize, if bona fide, the safe harbor carved out by *Younger v. Harris*, 401 U. S. at 34, would engender no discernible violence to the fragile intersecting of federal and state interests, but would merely effectuate both the *Younger* exceptions to abstention and correspondingly reaffirm the tenet that abstention is the exception rather than the rule for a district court to adjudicate a controversy properly before it. *County of Allegheny v. Frank Mashuda Company*, *supra*, 360 U. S. at 188-189. Clearly, if Petitioner were allowed to amend its complaint it urges that it could plead and prove the "bad faith, harassment etc." set forth in the *Younger* exceptions.

III.

THIS WRIT SHOULD BE GRANTED SO THAT THIS COURT CAN REVIEW THE NEED FOR REQUIRING A HEARING PRIOR TO THE INVOCATION OF ABSTENTION IN A PURELY DIVERSITY CONTEXT.

Quite apart from error on part of the District Court in failing to allow Petitioner, as a matter of course to amend its complaint, is the nagging sense of unfairness for a court in one of breath to *sua sponte* raise the abstention doctrine, and then in another, to altogether foreclose a litigant from even attempting to formulate a response thereto. Just as the abstention doctrine was not intended to furnish a federal court with a cloak of immunity from resolving purely state law conflicts, *Meredith v. City of Winter Haven*, 320 U. S. 228, 234 (1943), nor should it be invested with untrammelled discretion in determining *when* the circumstances are ripe for calling the doctrine into play. It is submitted by the Petitioner that, at the very least, a hearing, the contours of which would be decided by this Court, must be provided if abstention is invoked by a district court *sua sponte*.

If for no other reason, this Court should grant the Petition for Writ of Certiorari herein to articulate and mandate the requirement and safeguards of conducting an abstention hearing so that the true impact on the federal-state relationship can be assessed based on evidence and not mere supposition and conjecture. In this manner, the propriety of abstaining, as a function of the sensitivity of the issue sought to be resolved, would be fully examined before the court may settle on declining jurisdiction. The interests of federalism would be correspondingly served and the virtual "unflagging obligation of the federal courts to exercise the jurisdiction given them", *Colorado River Water Conservation District*, *supra*, 424 U. S. at 817, would truly be effected, rather than merely accorded lip service as in the past. The dire need for such an abstention hearing is brought into sharp focus by the case at hand. The Petitioner was not

only denied its right to amend its complaint as a matter of course, but more significantly, it was never accorded the bare opportunity to impugn the District Court ruling as to whether the substantive matter of applying the non-conforming use law of Illinois would truly occasion an impermissibly disruptive effect on federal-state relations.

The bare face of the pleadings was all that was before the District Court. This analysis proceeds on the principle that the abstention doctrine is not an "automatic rule applied whenever a federal court is faced with a doubtful issue of state law", *Baggett v. Bullitt*, 377 U.S. 360, 375 (1964), rather, it is a procedural application of which "must be made on a case-by-case basis". *Id.* As the doctrine is invoked only after a factual inquiry of the particular case, a hearing on its interposition would comport with its proper usage. For if the "avoidance of needless friction" standard in the area of federal-state relationships, *Zwickler v. Koota*, 389 U.S. 241, 255 (1967) (Harlan, J., concurring), is the litmus test for abstention, and if applied without due consideration, very few cases based purely on diversity jurisdiction would find themselves in federal court. The application of the doctrine, therefore, must of necessity, look to the circumstances in which the declination of jurisdiction is sought to be administered, and, in this regard, a pre-abstention hearing would certainly further enhance that inquiry.

The central concept to the abstention doctrine no doubt is highly malleable so as to adapt to the equally flexible principles intrinsic to federalism. Yet, to fundamentally alter or altogether defeat the avowed purpose underlying the grant of diversity jurisdiction of affording an impartial tribunal to out of state citizens, *Pease v. Peck*, 59 U.S. (18 How.) 595, 599 (1856), without even the bare chance to challenge such an "exceptional circumstance" to the duty of federal courts to adjudicate controversies properly before it, *County of Allegheny v. Frank Mashuda Company*, *supra*, 360 U.S. at 188-189, is just as offen-

sive to traditional notions of abstention, comity and federalism, as is federal "centralization of control over every important issue in our National Government and its courts". *Younger v. Harris*, *supra*, 401 U.S. at 44. An element of legal jugglery by means of invoking the abstention doctrine must not devitalize a clear Congressional directive to the contrary; indeed, the "right of a party plaintiff to choose a Federal Court where there is a choice cannot be properly denied". *Wilcox v. Consolidated Gas Company*, 212 U.S. 19, 40 (1909).

CONCLUSION.

It is urged by the Respondent that the *Pullman* doctrine, as applied in a diversity context, effectively is dispositive of the issues herein presented and that accordingly this Court need not pass on the propriety of *Younger* and *Hicks* in such a similar circumstance. On the contrary, however, it is submitted by the Petitioner that precisely on account of the *Pullman* doctrine being unseemly, both as a matter of principle and logic, as a means to abstain from diversity jurisdiction properly invoked, that this Court should reach the questions sought for review. Furthermore, even if this Court should find the reasoning for and attendant to the abstention doctrines, as declared in *Pullman*, *Younger* and *Hicks* to apply with full force in a pure diversity setting, the complete absence of an opportunity to amend, or more significantly, the total lack of affording the Petitioner a pre-abstention hearing when such doctrine is raised *sua sponte* by the District Court, equally warrants examination by this Court. It is one thing to say that the abstention doctrine is aimed at minimizing friction in a federal-state relationship, but it is quite another to acknowledge a constructive principle into becoming a handmaiden of abdication.

For the reasons stated above, Petitioner respectfully requests that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Seventh Circuit.

Respectfully submitted,

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